

The Relationship Between Democracy and Sustainability

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Issue Paper Number 3: The Relationship Between Democracy and Sustainability

Sustaining the Vision: Lessons for USAID's Move Toward Sustainability and Sustainable Development

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Executive Summary

This paper examines the relationship between democracy and sustainability using a three-fold approach. The first approach focuses on sustainability at the project level, and establishes specific requirements for project sustainability in the democracy sector. The second approach focuses on how democracy contributes to sustainable development, and suggests linkages between democracy, economic growth, and sustainable development. Lastly, the third approach examines the sustainability of democracy itself.

First, the goal of sustaining democracy projects or programs is examined. Evidence suggests that requirements for meeting this goal include: tailoring the project to fit explicit local needs; establishing effective links between local and national political institutions; taking advantage of multiplier effects of the benefits derived from democracy-related projects from other sectors; and instilling the norm of democracy among the project population. In terms reminiscent of de Tocqueville, such projects can be the "training grounds" for democracy as a whole.

Second, democracy and democracy-related projects are viewed not only as ends in and of themselves, but also as a means for achieving broader goals such as sustainable development. Observed in this manner, democracy has both a direct and indirect linkage to sustainable development. Academic arguments by such scholars as Huntington, Diamond, and Lipset suggest that democracy is directly linked to increased economic development in the long term. Indirectly, democracy can provide the means for creating mobilized citizens and the institutional structures needed to establish links between the political system on the one hand, and a culture of participation and social values of equity on the other. By establishing such linkages, sustainable democracy

becomes more viable.

Third, the issue of what underpins democracy itself is examined. Some of the issues raised in this section include arguments for effective political institutions, the requirement for a liberal philosophy, the existence of free markets, the importance of an educational system for socializing democratic norms, and the existence of a civil society. Perhaps most importantly, an overall atmosphere of security -- both personal and nation-wide -- appears to be necessary for the long-term success of democracy.

In conclusion, both democracy and sustainable development are integrated processes concerned with the promotion of peaceful change. As such, the attainment of both requires long-term time horizons and therefore long-term donor commitment.

OVERVIEW OF THE "SUSTAINING THE VISION" REPORT SERIES

This series of issue papers was prepared as a complement to the U.S. Agency for International Development (USAID) strategy papers and the strategy implementation guidelines to assist USAID's move toward sustainable development. It provides decisionmakers with information on definitions, concepts and lessons learned in sustainability and sustainable development from inside and outside USAID, and examines how these concepts are applied within different sectors. The reader will find that, in this series, there are different types and levels of analysis applied to different sectors. This variation reflects the materials available and used, the nature of the sectoral issues, and the viewpoints and experiences of the authors.

The series is meant to stimulate dialogue within the Agency that will lead to sharing resources and experience. Given the complexity of the topic and vastness of the information resources, however, the papers cannot present a definitive treatment of each subject. In addition, they do not express the views of the Agency nor has it surveyed, in a comprehensive way, attitudes and level of knowledge about sustainability within USAID.

The research has involved reviewing USAID and non-USAID literature, analyzing project information from the Development Information System (DIS), working with individuals from the former International Development Management Center (IDMC) and the IRIS (Institutional Reform and the Informal Sector) Project to get a sense of the history and scope of sustainability within USAID, and interviewing informants within and outside the Agency.

The series begins with Jim Esselman's paper on sustainability and health. As there was an extensive history of USAID experience in relation to sustainability in this sector, the paper concentrates mainly on the Agency experience. The final section of the paper brings up some key issues in relation to health projects and sustainable development.

The second paper, by Dana Wichterman, on economic growth and sustainability, presents both USAID and other donor experience in designing and implementing sustainable economic growth projects, highlighting the difficulty in finding consistent definitions and sustainability materials in this diverse sector. This paper also presents recent discussions on economic growth and sustainable development.

Democracy projects, democracy, and sustainability are addressed in the third

paper, in which Heather McHugh looks at these issues through various lenses, and as critical elements of sustainable development. As a relatively new concern for USAID, democracy and governance activities are being defined and fleshed out, and recent lessons are presented.

"Green" environmental issues relating to agriculture and natural resource management, discussed in Diane Russell's paper, have the most robust theoretical literature relating to sustainability and sustainable development, but USAID lessons are relatively new. This fourth paper thus applies the most recent lessons and models to the elaboration of the strategies for sustainable development.

The final paper draws from these works and others to show how these lessons, models and debates can be used by USAID decision makers in the strategic and analytic process of sustainable development.

THE RELATIONSHIP BETWEEN DEMOCRACY AND SUSTAINABILITY

A. Introduction

Only recently has USAID begun to link its democracy strategies with sustainable development. The transition to and consolidation of democratic regimes is now one of USAID's main strategic objectives, and one that is an "essential part of sustainable development" (USAID 1994:18). According to USAID's 1994 Strategies for Sustainable Development, the objective of sustainable democratic development is achieved through: 1) the establishment of democratic institutions; 2) the establishment of free and open markets; 3) an informed and educated populace; 4) a vibrant civic society; and 5) a relationship between state and society that encourages pluralism, inclusion, and peaceful conflict resolution. Finally, the strategy paper concludes by noting that sustainable democracy has been achieved when "indigenous forces within a society can maintain and strengthen democracy without external support" (Ibid.).

In addition to determining that democracy is a means to achieving sustainable development, USAID's Strategies for Sustainable Development paper also states that sustainable democracy is an end in itself. However, the relationship between democracy and sustainable development, the linkages among the five key objectives, sustainable democracy and sustainable development, and the connections between theory and practice, remain vague.

Many donors and charitable foundations have charters that prohibit them from becoming active in manifest political programs or projects. For example, the World Bank states that there are several aspects of governance that are beyond its mandate: it cannot interfere in the partisan politics of the member country; it must not act on behalf of donor countries in influencing that member country's political orientation or behavior; and it cannot be influenced in its decisions by political factors that do not have a preponderant economic effect (The World Bank 1991:3). Consequently, donor activity in democracy projects as a whole is thin, although many donors are beginning to make tentative strides into political participation, civic education, and institutional strengthening program areas.

This paper will address the concepts of sustainability and sustainable development within the context of USAID democracy and governance strategies, policies, programs and projects. Throughout, these concepts will be linked to

both theory and USAID's experience, although this paper does not attempt to analyze the universe of literature and theory. It seeks, rather, to focus on identifying the key issues and practices of "doing" sustainability in the democracy sector for USAID.

B. The Relationship Between Sustainability and Democracy

A review of donor literature reveals that there are three major approaches to sustainability and democracy concerns: the first approach focuses on how democracy projects are sustained, the second approach focuses on how democracy contributes to sustainable development, and the third approach focuses on sustaining democracy itself. USAID has just begun to integrate the second and the third approaches. These three approaches mirror the three sections of this paper.

How Democracy Projects are Sustained

The first approach, how projects are sustained, is discussed in "Theory and Practice in Sustainable Development," Paper 5 of the CDIE/DI/R&RS series on sustainable development, and will only be addressed briefly in this paper. According to Stockmann, a project is sustainable if -- after donor assistance has been terminated for some time -- there is an infrastructure geared toward solving existing problems and used by the target group (Stockmann, Nd:7). "Above all, the target group of the project sponsor respectively should be capable of adapting these structures to changing circumstances" -- the project has to have supported the institutionalization of problem solving (Ibid.).

At the project level, democracy projects have most often been designed, implemented, and evaluated in light of sustainability of funding. Indeed, a third of the USAID democracy projects examined for this paper were primarily concerned with financial sustainability. And, while another third of the projects were concerned with democratic sustainability, neither the Eastern Europe and Newly Independent States (ENI), the African, nor the Near Eastern bureaus specifically mentioned sustainable democracy as a project component. Other sustainability issues indicated in the democracy project descriptions, aside from the previously mentioned concerns, include: sustaining regimes, sustainable rights, sustainable transitions to democracy, project sustainability, and sustainable NGOs.

An examination of project level concerns for sustainable development suggests certain criteria for democracy projects. These concerns depend on whether:

the project fills a locally recognized need;

the target communities continue to participate in or interact with the local and national governments after donor funding has ceased;

the more model and multiplier effects projects are able to produce (intended and unintended, positive forward and backward linkages to other development sectors and activities), the more sustainable they are (Stockmann Nd.:17);

project resources continue to be distributed equitably or fairly after donor attention has ended (for example, do formerly marginalized groups continue to have access to political party representation, or has the old unequal system reemerged?);

the local implementing organization had political and institutional autonomy from both donor organizations and host government (Stockmann Nd.:12-14);

the donor organization was competent and committed to the project goals (Stockmann Nd.:12);

the habit (norm) of democracy been instilled, even if the project outputs fail to continue or exist at all; and,

the host government is committed to the project purpose.

Not surprisingly, these criteria for determining the sustainability of democracy projects reveal the same concerns as those for determining the sustainability of democracy as a whole.

An additional concern is the fact that USAID has turned increasingly towards the use of non-governmental organizations (NGOs) and private voluntary organizations (PVOs) to implement its democracy programs. In theory, NGOs and PVOs can be used not only to implement sustainable democratic projects, and/or as participants in democracy by themselves, but also as training grounds for democratic principles.

In the short term, donors should concentrate on sustaining democratic practices -- through both democracy and governance projects and through other development sector projects. Donors should be concentrating on building an enabling environment for democracy, and not on the dependent and unsustainable habits of receiving donor support. But because the linkages between democracy and sustainable development are so manifest, and because the democratization process takes a long time to become institutionalized, donors should be appraising the long-term sustainability of democratic practices. In other words, donors should be thinking in the long term and acting in the short term.

How Democracy Contributes to Sustainable Development

Donor and academic literature often link democracy to sustainable development. The linkage, however, usually confines democracy's role to serving as a foundation for sustainable development. Historically, democracy's mission was believed to be limited to its contribution to economic development, where economic development was in turn a major pillar of sustainable development. An early quote by Huntington underscores the evolution of the linkage between democracy and sustainable development:

poverty is one of the principal obstacles to democratic development. The future of democracy depends on the future of economic development. Obstacles to economic development are obstacles to the expansion of democracy (Huntington 1993:22).

And Diamond likewise states that:

the consolidation of democracy is intimately linked to structural economic reform (Diamond 1993:96).

The World Bank defines sustainable development as:

a predictable and transparent framework of rules and institutions for the

conduct of private and public business Good governance [contributes to sustainable development as it] is epitomized by predictable, open and enlightened policymaking (that is, transparent processes); a bureaucracy imbued with a professional ethos; an executive arm of government accountable for its actions; and a strong civil society participating in public affairs; and all behaving under the rule of law (The World Bank 1994:vii).

More recently, a scant number of international organizations and donors have started to emphasize democracy's direct link to sustainable development. Oxfam, a London based PVO, believes that democracy is fundamental to sustainable development. They note that sustainable development is:

the process of change as well as the product, it describes not some future goal but a way of development which empowers people so that their needs and their rights are recognized, their voices heard and their experiences shared. Democracy, in the sense of making space for and facilitating popular participation, is therefore a fundamental requirement for sustainable development (Judd 1992:8).

Likewise, the Canadian International Development Agency (CIDA) adheres to the concept that democracy is one of many interdependent "pillars" of sustainable development, and equal to economic development.

Democracy is an "essential input to sustainable development, not as a concept or activity that stands alone, but rather as one that is complementary to and complemented by other aspects of political sustainability -- pluralism, respect for human rights, and good governance" (Payne 1992:13).

Oxfam and CIDA, therefore, view democracy as an activity that contributes to sustainable development, and not as a development activity that should be sustained on its own.

Before 1993, USAID and other donors believed that democracy's most important contribution to development was its role in economic development. This approach was based on the concept that "open societies that value individual rights, respect the rule of law and have open and accountable governments provide better opportunities for sustained economic development than do closed systems which stifle individual initiative" (USAID, Democratic Initiative 1990:2). Democracy, therefore, was thought to be an economic and political development issue, and not a goal in its own right.

The literature, however, indicates that the relationship between democracy and economic growth is complex, and that tradeoffs between the two are common. For example, Judd notes that "parlous economic determinants can seriously undermine the democratization process" (Judd 1993:8). In particular, structural adjustment programs, geared towards generating "sustainable" economic growth, often contain donor conditions. "Rightsizing" the public sector can seriously undermine the very liberalizing governments that are trying to implement these strategies. It is also clear that programs to develop democracy can at times undermine sustainable economic development (Payne 1992:16). For example, an agricultural NGO may lobby the government to maintain subsidies even though this would not be in the national interest. Indeed, Indonesia's President Suharto recently criticized liberal democracy as "failing to sustain development" on the basis that Indonesia, and other NICs, have a track record of economic growth averaging six percent a year for the last two decades, and "this has been accomplished by excluding opposition

parties from power" (Keeling 1993).

However, most authoritarian regimes are, by their very nature, susceptible to succession crisis and uncertainty about the future. "In an autocracy, the autocrat will often have a short time horizon [in order to extract the largest amount of resources possible], and the absence of any independent power to assure an orderly legal succession means that there is always substantial uncertainty about what will happen when the current autocrat is gone" (Olson 1994:23). Democratic systems, on the other hand, may have individual politicians with a similarly short time horizons, but also have a predictable and assured succession of power within the same political system. Olson further notes that extraordinarily rapid growth rates can occur under a strong dictator who happens to have good economic policies -- but only for a ruling span of one to two years (Ibid.). It is, therefore, no accident that the countries that have reached the highest level of sustainable economic development are democracies.

Positive contributions of democracy to sustainable development

USAID's present approach links democracy directly to sustainable development. This approach is based on the theory that participation and equity are the real cross-cutting contributions of democracy to economic growth and sustainable development. Participation is a key contribution because democracy promotes citizen involvement in the decision-making process (choosing leaders and having input into the development process itself) at the community, local, regional, and national levels. And equity contributes to sustainable development because democracy enables the creation of a system for the acceptable distribution of resources and benefits. Equity, moreover, is most likely to occur when participation is allowed -- so both participation and equity reinforce one another. "If men are to remain civilized," de Tocqueville wrote, "the art of associating together must grow and improve in the same ratio in which the equality of conditions is increased" (Democracy in America).

Raskin suggests that equity is the key concept for sustainable development. He states that "development must be based on equity to be compatible with sustainability principles," and that poverty, underdevelopment and political disenfranchisement are "both the cause and effect" of non-sustainable development (Raskin 1994:10). Thus, sustainable development requires more equitable distribution of rights and benefits.

Some analysts suggest that the degree of democratization depends upon the degree of resource distribution. A country is most likely to establish and maintain democratic institutions if its economic and political resources are equitably distributed. Such resource distribution serves as an essential component of democratizing societies, with an empowered citizenry capable of both economic and political participation where no one group is able any longer to suppress its competitors or to maintain its hegemony (Vanhanen 1992:12, 48-51).

Finally, security, in the form of protection of natural and societal resources, also contributes to sustainable development in two ways. First, bad, even if participatory and equitable, decisions about the distribution of nonrenewable resources can be made. Responsibility for the passage and then enforcement of sound regulations regarding natural resources must be based on an accountable relationship between the state and society in order to secure

access to resources for future generations. Sustainable development must be based on "institutional arrangements that seek to maintain a balance between the institutions of the state and the market and protect the right of an active citizenry to hold both institutions accountable to the public interest" (Korten 1994:8). Thus, while neither the state nor the society should dominate the other, the state must still ensure that responsible decisions are made. Second, with the globalization of markets and issues, societies lose their ability to address local environmental and political needs: security can also play a role in protecting resources from other societies that might not operate their economies sustainably by minimizing their consumption of nonrenewable resources. Indeed, some analysts predict that there would be fewer wars if protecting the earth's environment became the centerpiece for national security planning (Shuman and Harvey 1993:120).

While many political theorists discuss the relationship between economic growth and democracy, the question of which is the priority -- economic or political rights -- remains unanswered. Although theoretical models of this process are not well developed, a common view is that prosperity tends to inspire democracy and that, therefore, economic growth should take priority. Indeed, Barro suggests that countries at low levels of development typically do not sustain democracy; and nondemocratic countries that experience substantial economic development have a tendency to become more democratic (Barro 1995:3). Barro's advice is that donors would experience greater returns from assistance if they concentrated on exporting their economic systems, notably property rights and free markets, rather than their political systems (Ibid.). However, some analysts now believe that donors should make political rights a priority in development activities, believing that after establishing political rights, citizens can then demand economic rights (Sen 1994:22). "Political rights can have a major role in providing incentives and information toward the solution of economic privation" (Ibid.:23). Strengthening both political and economic rights should be pursued with equal vigor by donors.

Participation, equity, and security contribute to the overall ability of individuals to resolve their own problems and take responsibility for their actions. Research reveals that citizens of democracies are more willing to sacrifice immediate material benefits in exchange for greater participation than are citizens of authoritarian regimes (Rothstein, 1992:26). Perhaps such willingness to sacrifice means that democracies and democratic processes offer better chances for sustainable development as governments are required to make tough decisions about limiting resource consumption in exchange for future sustainable development. However, such a finding is controversial given the seeming potential for democratic processes (civil society) to build expectations among citizens that their concerns and issues should be addressed immediately (or at all).

Donors, then, have to make choices about what levels of participation and equity are appropriate or possible when implementing programs. Donors must decide if they are or want to be responsible for expanding participation at all levels in a wide range of development decisions (and risk the creation of chaos) or if they should limit costs, complexity and unpredictability by dealing with just a few groups and/or leaders. Donors must also decide if they should focus mainly on like-minded groups, targeting participation for a few while neglecting other, perhaps also worthwhile, groups. These issues, and others, currently remain unresolved.

Negative contributions

It is not always clear that democracy contributes positively to sustainable development. Most policy analysts point to the trade-off between democracy and economic growth and between long-term or short-run policies. Some potential negative relationships between democracy and sustainable development include:

Democracies depend on popular support, and weak democratic governments may be "compelled to sacrifice economic growth policies for consumption" (Rothstein 1992:28). Examples of this weakness can include increasing subsidies and raising wages faster than productivity;

Policy reform, even when supported by a majority of citizens, can confront an intractable wall of elite rigidity (Ibid.). It is extremely difficult to change inherited class structures and control the rent-seeking behavior of interest groups or the very rich;

Democracy can also contribute to increased internal conflict. For example, democratic procedures may actually provoke domestic conflict if politicians manipulate ethnic and communal conflicts for their own benefit. Elections in deeply divided societies can increase internal conflict if the majority consists of one ethnic group that consistently votes in its own interest (de Silva 1986:377);

Growth itself, in the form of population growth, urbanization, economic development, or other manifestations, can undermine democracy's ability to contribute to sustainable development. Policies that might begin to resolve sustainability issues often create serious internal problems. Cutting subsidies, changing agricultural practices, enforcing pollution controls, enforcing limitations on family size, conserving water, and preserving the forests all threaten the livelihood of some groups (Rothstein 1992:28). In a democracy, these problems place additional burdens on governments that must reconcile the urgent needs of the population while preserving the environment and other sustainable development resources.

Democratic programming is considered a politically sensitive donor area, even more so than other development activities. Often project papers openly state that USAID will not fund, aid, or assist any project or NGO that has a political agenda. Furthermore, a review of USAID documents indicates that the Agency is keenly aware of the risks involved in promoting political programs, both for US citizens and foreign nationals. A recent evaluation of USAID experience in promoting democracy in Latin America notes that the deaths of some participants in USAID leadership training courses indicates the "political sensitivity that accompanies [donor] programs" (Creative, 1987:VI-8). Indeed, the new strategy paper contains similar language: "the promotion of democracy is central to sustainable development, but it entails some political risks" (USAID, New Strategy Draft, 1993:4).

A trade-off between sustainable development and democracy exists. Nicaraguan President Chamorro noted the development conundrum, that without democracy there "cannot be sustainable development. Nonetheless, the lack of development immediately puts to the test our incipient democracies" (Chamorro 1992:N.p.). A failure or crisis in development might lead to low-level citizen participation in the political process generally, and in elections specifically, where the populace has been alienated from democratic

institutions and political parties that are perceived as having failed to improve their economic standing (Szabo 1992:42-51). It seems that the answer is that democracy can contribute both positively and negatively to sustainable development, and that donors need to be aware of the trade-offs before making project and program decisions.

Thus, it seems that programs and strategies integrating both democratic and sustainable development approaches would make for better development decisions. As stated earlier in this paper, "development planners need to consider multiple objectives: growth, equity, political leverage, security and immediate survival in addition to sustainability" (see page 10 of the Overview).

The Sustainability of Democracy

The sustainability of democracy, on the other hand, focuses specifically on democracy for its own sake rather than democracy's relationship to other development sectors and sustainable development concepts. With this program approach, USAID has identified the democratic objective or "resource base" that is to be sustained as including: democratic institutions, free and open markets, an informed and educated populace, a vibrant civic society, and a relationship between state and society that encourages pluralism, inclusion, and peaceful conflict resolution (USAID 1994:18).

The literature agrees that each of these five program elements contributes to sustainable democracy. However, while the call for liberal democracy as represented by these five elements is a necessary tool to combat authoritarian rule and promote political liberalization, they may not be sufficient to sustain democracy. Since the conditions that accompanied its development in western capitalist systems are often lacking in developing countries, questions of whether liberal democracy can be sustained have arisen (Newbury 1994:3). Also, "unequal class structures and the peripheral, dependent character of [many developing] economies make it difficult for governments to build legitimacy by responding to popular needs" (Ibid.).

A focus on any of the five programs alone will not lead to sustainable democracy. Instead, it is important to focus on benefit maintenance across the spectrum of these programs. For example, an election is a one-time event, important for the promotion of democracy. However, the election event should not be sustained; nor should the activity of the NGOs and individuals that monitored the election. The "get out the vote" campaign need not be sustained; nor do the individual political parties. Rather, the benefits of election support should be maintained: the institutional and legal infrastructure needed for elections; the enabling environment that allows political parties to form and run candidates; the legal support for NGOs to form, reform, and merge with one another; the indigenous capacity to monitor elections and trust the results. These are the elements that need to be sustained.

In a recent study for USAID, Blair found that the key ingredient needed to sustain democracy is liberal philosophy; "If democracy is to endure over time, it must have a self-sustaining ideology, which becomes embedded in the civic culture and which holds out the democratic path as the best one for the nation" (Blair 1992:12). Likewise, Weingast found that democratic stability is accounted for as a shared belief in "a set of political institutions, the rights of citizens, etc., that define the boundaries of government actions"

(Weingast 1993:13).

Objectives of sustainable democracy

Each of the five objectives of sustainable democracy mentioned above -- the establishment of democratic institutions, the establishment of free and open markets of ideas, an informed and educated populace, a vibrant civil society, and a relationship between state and society that encourages pluralism, inclusion, and peaceful conflict resolution -- have not yet been linked with the concept of sustainability in existing literature. To begin to address this gap, this section will provide a preliminary review of linkages to sustainable democracy. Covering all the elements, ingredients and indicators of sustainable democracy, however, is beyond the scope of this paper.

Democratic institutions and sustainability. Bearing in mind that "there is no standardized institutional model which underlies different country strategies ... the Democracy Initiative does not seek to impose an American model on developing countries" (USAID, Democracy Initiative 1991:3). The Democracy Initiative does, however, suggest that decentralization, legislative strengthening, and electoral processes are important to supporting sustainable democracy.

Devolution and decentralization of power and authority to the local levels helps strengthen democracy by providing closer accountability and relevance to local needs. Likewise, it provides opportunities for broader participation in government and, therefore, education in democratic practices (USAID, DAC Report 1990:8). However, decentralization is often a tactic chosen by central governments that lack the resources necessary to deal with problems at the periphery (Millett 1993:2). Sustainable democracy can be enhanced through decentralization programs, but the increase in political participation at the local level has to be paralleled by an increase in resources available to local governments.

Democracy develops "considerable durability and vitality" where political parties and the party systems are able to develop substantive coherence, organizational coherence, complexity of internal structure, autonomy from individual leaders, and some capacity to adapt to changing conditions (USAID, DAC Report 1990:6).

Legislative strengthening serves to allocate resources, articulate the needs of a diverse constituency, channel information between citizens and government, manage conflict and train future leaders (USAID, DAC Report 1990:7). On the other hand, the proliferation of political parties, coalition building, and interest groups mentioned above can generate executive-legislative gridlock (Millett 1993:3). Damaging the balance of power between government branches, conflict between the executive and the legislative branches has threatened democratic development. Sustainable democracy, therefore, requires a strong legislature; but one that does not dominate the other branches of government.

Electoral processes are essential for the orderly democratic transition from one administration to the next. Elections also serve as a vehicle to transmit the populace's issues and interests to government leaders. When increasing constituent demands on governments coincide with a shrinking resource base, low levels of popular approval have resulted for most administrations. In many regions there has been a growing tendency for ruling parties to change

with each election. Doing what is necessary to regain long-term economic growth has virtually ensured political defeat of elected officials in subsequent elections (Millett 1993:2). Sustainable democracy, therefore, requires not only the institutionalization of elections, but also the economic, political and environmental resources necessary for rational decision-making.

Free and open markets, media, and sustainability. This objective is taken to mean the free and open marketplace of ideas and options, or democratic choice. "Democracy depends on the citizenry having access to a variety of information and opinion sources" (USAID, DAC Report 1990:9). Choice contributes to sustainable democracy by allowing competition of and between ideas, organizations, and political leaders; otherwise, the monopolization of democratic processes by one idea, party, or leader is not sustainable for many reasons, including the potential for system failure once the leader has died.

Citizens should have a choice of political parties, a choice of which NGO/PVO to join or fund, a choice of which newspapers to read, a choice in participating in or listening to informed debates in critical public policy areas, a choice in voting. This "free marketplace of ideas" and organizations allows citizens to make informed decisions on issues and events of importance to them -- it allows them to participate more effectively in their society.

Informed and educated populace and sustainability. Basic education, civic education, and participant training all fall under the rubric of creating an informed and educated populace. Basic education is critical to sustainable democracy because it creates demand for more accountability by empowering individuals and groups. For example, civic education programs that start in elementary school and continue through adulthood can instill respect for human rights and provide long-term solutions to addressing human rights abuses (USAID, DAC Report 1990:5). Civic education, one of Blair's key ingredients for maintaining democracy, is the "means through which committed elites spread liberal philosophy to the citizenry as a whole" (Blair 1992:12).

Participant training relates to sustainable democracy because it is one way to demonstrate democratic processes to industry, academic, social, and political leaders. This objective is closely tied to free and open markets of ideas and media discussed above.

Civil society and sustainability. According to Ritchey-Vance, who examined the Inter-American Foundation's (IAF) activities in Colombia from 1971 until 1989, donor support of grassroots organizations and NGOs fostered "a culture of democracy" by reinforcing civil society (Ritchey-Vance 1991:42). Civil society, or the associational and political space that exists between the individual and the government, contributes to sustainable democracy by:

- expanding the civic base;
- weaving linkages with other groups that expand the horizons of participation to municipal, national, or regional levels;
- encouraging pluralism by promoting the participation of marginalized groups;
- broadening access to information or resources or markets formerly beyond reach;
- advocating for policy changes that would benefit the members and/or the organization;
- increasing flexibility by providing alternative avenues for and creating alternative sources of information.

In her research, Ritchey-Vance found that even where NGOs had failed, if local citizens had participated in creating the first NGO, they often created other NGOs later. In other words, the participants of the grassroots projects got into the habit of democracy and continued to practice democracy even after IAF funding had ended.

USIA has found that democracy programs that are focused on strengthening institutions and on delivering economic benefits are "more productive in the short run [emphasis added] than programs that seek to change underlying beliefs and attitudes about democracy" (USIA N.d.:1). This finding suggests that the impact of promoting a democratic culture will be greater in the long run, even though donor investment in this area could be riskier, and demand more time, energy, attention and resources than other approaches.

The relationship between state, society, and sustainability. Governance, or the management of regimes, is part of the enabling environment for sustainable democracy. According to the 1991 USAID Democracy Initiative, "just and responsive judicial processes and the accountability of the executive are two key characteristics of lawful governance. This is achieved when the exercise of state power is restrained by the authority of a system of laws impartially enforced; when its actions are open to public scrutiny; when it is held publicly accountable through known procedures; and, finally, when it is responsive to the legitimate needs of all citizens. Lawful governance upholds and protects the civil and political rights of all citizens" (USAID, Democracy Initiative 1991:7).

Respect for the rule of law establishes legitimacy on the basis that fair application of the law is a "kind of contract between authorities and citizens" (Charlick 1992:10). This contract provides a basis for predictability, equitable adjudication, and allocation of resources and rights. Respect for rule of law helps economic and social actors to calculate risk and potential benefit, and can reduce conflict and economic losses. These factors help sustain democratic institutions.

Public hearings are one example of a method used to encourage pluralism, peaceful resolution of conflict, and the inclusion of a myriad of interested citizens. A program of public hearings at the local, regional and national levels can increase transparency by making the legislative and rule-making processes more accessible to citizens. Public hearings can also increase government accountability by making citizen opinions and interests apparent to elected officials, as well as by requiring legislators to publish notice and results of public hearings. Public hearings can increase responsiveness as legislators use the knowledge they gain from these fora as a way to judge in advance the political climate in which the decisions will be made, as well as the political climate the legislature may face when running for office. And finally, public hearings can serve as a conflict-reducing device, or political safety valve, by allowing disapproving citizens a chance to vent their feelings before the decision-making body.

On the other hand, public hearings can also be abused -- both by citizens with extremist views, and by well funded lobbyists. For example, in the United States many public hearings are dominated by special interest groups with years of experience in the public hearing process who stock the hearing room with "citizens" paid to say certain pro-special interest rhetoric, manipulate statistics and data that support their positions, and/or provide special

interest groups with a forum to further their own corporate agendas through sophisticated "dog and pony shows" (for more information on public hearings, see McHugh, 1994).

Predictability, responsiveness, accountability, and transparency are all characteristics of the process of governance, and all contribute to sustainable democracy by providing a balance -- between NGOs, states, and economic forces -- that allows society to "respond vigorously to opportunities to pursue their interests" (Charlick 1992:ii). In sum, good governance practices will command sufficient legitimacy from society, which, in turn, enables governments to survive (Ibid.).

Finally, Joao Clemente Baena Soares, Secretary General of the Organization of American States, recently cautioned that the "establishment of sustainable democracy is not an issue that concerns only developing countries; the traditional democracies in the industrialized countries must also commit themselves to reinforcing it. To different degrees, all nations are confronted with inequality, instability, insecurity, and social and economic deficits ... In all countries, regardless of their stage of development, the survival of democracy requires sustained effort by both governors and governed" (Perez de Cuellar 1992).

C.USAID Program/Project Elements

The USAID Development Information System projects database lists over 200 projects primarily focused on democracy, of which ten percent were identified as having concepts and terms related to sustainability. Of these sustainability related projects, most are concerned with financial sustainability and sustaining democracy. Other issues include project sustainability and sustaining NGOs. The following table lists these projects.

From this review of USAID project literature, including regional bureau program documents and project information, the following has emerged:

Asia Bureau: USAID's Asia Bureau has proceeded furthest of all the regional bureaus in addressing sustainable democratic development according to their program and strategy literature. Indeed, the Asia Democracy Program identifies five elements essential to developing and sustaining democratic societies: 1) voice, or the development and strengthening of channels for popular influence on government and channels for the free dissemination of information and opinion; 2) choice, or free, fair and meaningful elections; 3) governance, or effective, democratic and open administration; 4) redress, or full protection for individual and group rights; and 5) accountability, or financially responsible government. The program paper also addresses the preconditions needed for democracy through education and the development of democratic political cultures (projects 940202803 and 3060200).

Furthermore, the Asia Bureau program strategy identifies factors that will determine the progress of sustainable democratic development. These contextual factors include: historical experience of the peoples of the country (as in Nepal, project 940202803), especially their experience with democratic institutions; the political culture of the people; the ethnic and religious cleavages within the society; the extent to which the state is regarded as legitimate by constituent peoples; the extent to which governmental institutions are efficient and capable; the existence of rule of law; a supportive class structure (see Bangladesh project 940202803 for more

information); and regional and worldwide trends toward democracy.

Programs for sustainable democratic development include efforts to: improve electoral processes; develop more varied and impartial communications and media; strengthen public advocacy and constituent advocacy non-governmental organizations (through civil society?); improve the capacity of both legislatures and bureaucracies; extend judicial protection to all members of a society; extend educational efforts, particularly efforts that target expanding civic consciousness and knowledge of democratic experience and democratic developments outside host countries; and develop social science capabilities, particularly policy analysis, the analysis and presentation of data on the state of the society and trends in its development, and opinion survey research and analysis.

Latin America and Caribbean Bureau (LAC): USAID's LAC Bureau has been working in the democracy area longer than the other regional bureaus. It also seems that LAC's democracy programs are more a work in progress than those of the other bureaus -- that is, they have not articulated sustainable democracy as specifically as the Asia Bureau, which could allow for greater flexibility and modification for the LAC Bureau (see "Strengthening Democracy in Latin America and the Caribbean," USAID, 1990).

The maintaining of existing democracies, or the transition from weak democracies to stronger democracies, seems to have been major thrusts of LAC programs. A significant number of projects have concentrated on: civic education, financial sustainability, institutional strengthening, indicators of democratic development, and participant training. (Projects 5110593, 5110603, 5200398, 5200347, 5190391, 5190321, and 5270326).

USAID's Other Bureaus: By nature, the ENI Bureau's democracy projects are nascent, and therefore their focus on sustainable democracy has been overwhelmed by survival and reconstruction needs. Project goals have focused on the transfer of democratic knowledge and understanding to the region through civic education, institutional support and free media projects. (Projects 1800003, 9300080, 9400015 and 1100012).

As late as 1992, the Africa Bureau identified "democratic governance" as providing the "enabling environment" for promoting sustained economic development (Charlick 1992:ii). Overall, the Africa Bureau has focused its sustainable democracy efforts on civic education and institutional development of selected NGOs and ministries. At least one Rwandan project discusses the sustainability of the NGO created to implement part of the project. (Projects 6960133 and 6730133).

A review of Near East Bureau projects failed to uncover any democracy projects that deal with sustainability.

D. Other Issues and Challenges for Sustainability in the Democracy and Governance Sector

Perhaps the most important concept to come out of an examination of democracy and its relationship to sustainable development is that both are integrated processes, and not discrete actions, events or even theories. Democracy and sustainable development both promote the peaceful institutionalization of change. For sustainable development this can mean discovering a realistic and adaptable balance between immediate and future individual needs and resource

limitations. For sustainable democracy this can mean finding a balance between immediate political concerns and future stability. The best way for donors to incorporate the idea of change and flexibility into democracy and sustainable development may be to think of them as "systems," the democratic system and the sustainable development system. This approach more clearly underlines the relationships between these concepts and other issues, such as survivability, economic growth, and justice, that require simultaneous progress in a variety of dimensions.

Another distinct consideration for donors is that democracy and sustainable development processes both take time: program and project outcomes may not become apparent until many years after the project ends. This lag-time between democracy and sustainable development programs and impact calls for evaluation methodologies that acknowledge that benefits or damage may not appear for years, and by the time any benefits are realized attribution issues can become a controversial and difficult issue. Constant monitoring and course adjustments are necessary to keep projects from creating or compounding damage to the system; interim benchmarks and indicators are suggested.

The International Development Research Center of Canada (IDRC) is particularly concerned with the decline of state power that results in increasing irrelevance of political participation due to the transnationalization of economic and political power. "The withering away of state power, rather than lack of political will or capacity, explains the paralysis that characterizes present governments and their inability to respond to domestic political and social demands" (Perez 1993: 49). Globalization represents the removal of the state's capacity to formulate and implement public policies vis-a-vis domestic pressures and demands (Ibid.:50). The implications for donor activity are that local participation and equity will become at once even more difficult and more important to sustainable development and democracy.

Any hopes for the consolidation and sustainability of democracy in developing countries have to include the contribution of recent changes in the climate of international relations. "The end of the Cold War has significantly reduced the threat from the left to democratic institutions and made external forces less willing to accept, much less support, repressive regimes" (Millett 1993:5). Donors are more inclined to view authoritarian governments as dangerous and disruptive, threatening both economic and political interests. Developing countries themselves are more interested and able to promote democratic institutions. For example, the role of the Organization of American States (OAS) in foiling Guatemalan President Serrano's 1993 efforts to gain dictatorial powers "[is a] concrete demonstration[sic.] of a growing collective willingness to defend democratic structures" (Ibid.). Sustainable democracy depends, therefore, on both internal and external support.

Rothstein warns that the increasing demands for political and economic participation that occur with democracy, combined with deterioration of the resource base in many Third World countries and regions, "may be undermining the possibility that any form of government can effectively meet the needs of its citizens" and "will lead sooner or later to new justifications for authoritarianism and war against neighbors" (Rothstein, 1992:24-25). The World Conservation Strategy (WCS) -- a joint effort of the International Union for the Conservation of Nature and Natural Resources, the World Wildlife Fund, and the United Nations Environment Program -- counters the above argument by noting that "humanity's relationship with the biosphere ... will continue to deteriorate until a new international economic order is achieved ... and

sustainable modes of development become the rule rather than the exception." (ICUN, 1980, I). Thus, Rothstein focuses on the demands of participation to explain state collapse, while the WCS focuses on deteriorating resources to explain state failure.

E. Conclusion

The close relationship between sustainable democracy and sustainable development is clear. Similarly, it is evident that sustainable democracy's main contribution to sustainable development is through facilitating equity, participation, and security in the development process. Equity in the distribution of resources, participation in decision-making to bring about peaceful, flexible, and relevant national development policies, and security of establishing and maintaining rational control over resources. Thus, sustainable development, based on, working with, and incorporating democratic processes and principles, offers the best hope for the resolution of resource allocation through peaceful means. This lesson is as relevant to developing countries as it is to developed countries.

By addressing sustainable development within the context of democracy and governance, USAID appears to be pushing the limits of both political theory and donor experience. Sustainable development provides a framework within which to address democracy and governance issues by taking into account the certainty that the democratization process takes a long time to become institutionalized. Sustainable development, likewise, provides the concepts and tools for development program managers, implementers, and policy-makers to examine democracy and governance programs for relevance, effectiveness, and investment potential.

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ANNEX A:OVERVIEW OF THE SUSTAINABILITY SERIES: DEFINITIONS

"We humans have a kind of tunnel vision. We only see what we can use. We have not been able to see until recently that it's useful to maintain the integrity of the organism." -- Howard Rheingold

Prepared by Diane Russell, Research Manager, Research and Reference Services Project

Definitions

Sustainability is:

a measure of how the growth, maintenance, or degradation of a resource or set of resources affects a population's survival. Indicators are used to measure these effects. A resource can be natural or human, and includes knowledge, technical, financial and other social systems.

a property of processes, investments, technologies and systems as they affect resources available to a population over time. Processes such as policy reform, investments made by donors, governments or other groups, technologies such as improved crop varieties, and systems such as a land tenure or judicial systems have an impact on access to, valuation and sustainable use of resources. The extent of local participation in and ownership of a process, investment decision, technology development and system is seen to be crucial to sustainability.

fluid and ever-changing: there are tradeoffs and substitutions among resources and systems as valuation and access change over time. Nevertheless, many theorists of sustainable development argue that natural resources are, ultimately, finite and that certain processes, investments, technologies or systems can quicken or slow the pace of resource depletion.

To attain environmentally sustainable development, planners value natural resources, and calculate rates of degradation and regeneration, along with costs and benefits of different technologies, in relation to the resources needed and available for present and future populations. The renewal capacities of natural resources are determined by growth and development cycles, which can be altered through technology innovations. An example of a key natural resource is soil fertility, which can be sustained by combinations of fallowing land (land intensive), technology infusions (capital intensive), or the adoption of sustainable agroecological systems (labor intensive).

Economic sustainability is the ability of a population to generate revenue to maintain itself in a market economy and produce a surplus to invest in security, research and development, infrastructure, and social safety nets. At the local level, it is the ability to maintain food and income security so as not to deplete the resource base and drive away young people. Balancing investments in government and community level activity, public and private sectors, and gauging growth potential in relation to environmental and equity concerns, is part of the sustainable development process.

Resources are valued and used within the human framework of ideas and social structures. Social sustainability relates to the soundness, richness and flexibility of organizations and institutions that govern access to and transmission of resources. Supporting institutional sustainability does not mean sustaining specific institutions or organizations, however, but helping people to build and strengthen frameworks -- legislative, regulatory and financial -- that allow sound institutions to flourish. Sound institutions enable societies to use and allocate resources in a transparent and efficient manner.

Benefit Sustainability

Within the development community, sustainability refers to the ability of benefit flows to be maintained after project funding ceases. It is important to note that benefit sustainability does not imply that the project itself continue. In fact, benefits are usually best sustained by beneficiaries themselves through NGOs, governments, or community groups, after the initial USAID investment. Donors may need to sustain benefits over a longer time frame, however, to reach particularly disadvantaged, marginalized or poorly organized beneficiary populations. The calculation of benefit sustainability -- what needs to be sustained over what time frame -- is discussed in Paper 5

in this series.

A great deal of attention has focused on benefit sustainability over the years and much is known about how to accomplish it, but there has been limited success in refocusing and redesigning for sustainability.

Financial Sustainability

Financial sustainability is a component of benefit sustainability that addresses issues of management capability for eventual self-financing for development investments. Financial and benefit sustainability are components of planning for sustainable development, which, as noted, is an analytic process rather than a development outcome.

Sustainable Development

The term "sustainable development" was first used in the World Conservation Strategy in 1980 and widely disseminated by the Brundtland Report (WCED 1987). Within USAID, the concern for sustainability emerged from the experiences of integrated rural development and infrastructure projects that involved significant investment but were not supported by the local population or the government after project funding ceased (DAI 1982). Thus USAID's major emphasis until recently has been on benefit sustainability.

With the publication of Strategies for Sustainable Development (USAID 1994), the Agency entered a new era where benefit sustainability, a goal that still needs to be addressed, was linked to the process of sustainable development. The strategy papers defined sustainable development as "characterized by economic and social growth that does not exhaust the resources of the host country; that respects and safeguards the economic, cultural and natural environment; that creates many incomes and chains of enterprises; that is nurtured by an enabling policy environment; and that builds indigenous institutions that involve and empower the citizenry" (USAID 1994).

Sustainable development is the process in which USAID and host country stakeholders analyze, plan and negotiate USAID's investments in sustaining particular benefits over a given time-frame. It links micro-level benefits with macro-level societal goals and objectives (Diwan 1994). As discussed in Paper 5, the overarching goals include increasing efficiency in the use of resources, alleviating stress, and promoting equitable use of resources, as well as preserving a resource and knowledge base for future generations (intergenerational equity).

This process is grounded in multiobjective analysis, participation, and inclusion. The investment decisions must also be analyzed in light of U.S. and international objectives for sustainable development. Thus, sustainable development is defined at the highest level and includes such considerations as national and international security, global assessment of resource use and depletion, development of and access to technology, information infrastructures, and competition over access to natural resources and markets.

SIX MYTHS ABOUT SUSTAINABILITY/SUSTAINABLE DEVELOPMENT

1. Sustainable development is an outcome or an activity

Sustainability in development is an organizing principle and a process rather than a goal. It is the process by which USAID and host country stakeholders analyze, plan and negotiate USAID's investments in sustaining particular benefits over a given timeframe.

2. Sustainability is a new concept

Benefit sustainability is specifically addressed as early as 1979 in the USAID literature and concern has existed for some time.

3. USAID has not well defined the concept

Guidelines and other detailed discussions have been available since at least 1982, and there has been significant consensus about problems in and pathways to improvement in benefit sustainability (DAI 1982).

4. Sustainability is not a problem with USAID projects

A recent study found that, overall, only 18 percent of 44 successful USAID projects had a high probability of achieving benefit sustainability (IRIS 1994). The World Bank sustainability rate was determined to be about fifty percent (CDIE 1990). Not all project benefits should be sustainable because projects may be experimental or instructional -- leading to sustainable investments in the long term -- but USAID managers think the proportion should be much higher (IRIS 1993).

5. USAID is basically unconcerned with sustainability -- it is just a new buzz word

For several years, USAID has expressed significant concern about, although not always agreement on, the utility of the concept of sustainability. Asia Bureau managers responding to a questionnaire indicated a need for "short, distilled, 'lessons of experience', evaluation findings and 'how to do it' material; information on financial systems and financial mechanisms to promote sustainability; and technical guidelines for sustainability analysis, design and evaluation" (IRIS 1993).

6. A focus on sustainability doesn't change anything

Sustainability is not the same as achieving project goals. A focus on sustainability of necessity involves a reorientation of development priorities and approaches. The intensity of this shift is still under debate.

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